



## REPUBLIC OF NAURU

### TABLING OF DEVELOPMENT FUND REPORT 2022 - 2023

**Honourable Martin Hunt, MP**

**31 May 2022**

Mr Speaker,

It gives me great pleasure to introduce Nauru's Development Fund Projection for financial year 2022-23 – a package of funding which will contribute to *Sustaining a Resilient Naoero*.

Nauru's development partners have pledged 87.5 million dollars of support for financial year 2022-23. Cash funded programs of 5.1 million dollars will be provided - an increase of 2.6 million dollars from the previous year. Direct budget support of 20.8 million dollars is expected, as well as Aid-In-Kind of 61.6 million dollars.

While total funding has slightly reduced from the 104.1 million dollars committed by partners last year, a number of long-term infrastructure activities will commence this year. These new projects represent over 80 million dollars of funding in upgrades to Nauru's essential infrastructure. This is a significant investment by our partners in climate-resilient, sustainable infrastructure which will contribute to Nauru's economic and social development.

The Asian Development Bank has committed a total package of 29.1 million dollars for Nauru, with 11.5 million dollars included for the Solar Power Development Project and 9.6 million dollars for the Port Project. Also, the Nauru Urban Sustainable Development Project will commence this year, worth a total of 30 million US dollars. This project aims to improve Nauru's water, waste and sanitation infrastructure. 1.5 million dollars will be provided this financial year for the assessment, planning, and capacity building needed to implement the project. We are grateful to ADB for their support to improving the quality of essential urban services for Nauru's households.

Australia's bilateral funding this year is 25.5 million dollars, and includes support for a number of infrastructure projects.

Earlier this year, Australia committed a 40 million dollar grant package towards vital upgrades to the Airport runway, air traffic equipment and island ring road. 30 million dollar will be provided through the Australian Infrastructure Financing Facility for the Pacific over the life of the project, with 10 million dollars to be provided through the regular bilateral program. This year, Australia will provide 3 million dollars towards these works, helping ensure Nauru's supply chains and improve road safety.

Australia, Kiribati, Japan, the United States and the Federated States of Micronesia signed a Memorandum of Understanding this year to commence work on the East Micronesian Cable. While we are still working through the financial details, I wish to take this opportunity to thank these partners for their commitment to supporting safe and effective internet access for Nauruans, which will expand medical, educational, business and government opportunities.

Australia's strong support for Nauru's social sector also continues this year. 4 million dollars will be provided for a new Education program, which will focus on improving student enrolment and attendance, improving learning outcomes and strengthening systems in the Ministry of Education.

Our partner Taiwan will contribute 17.8 million dollars this year. Over 500,000 dollars will be provided for solar panels on the Civic centre, over 200,000 dollars for ICT equipment for CENPAC and 900,000 dollars earmarked for wellness centre upgrades.

The United Nations plans to provide 5 million dollars to support the six UN Pacific strategy outcomes. This includes 1.5 million dollars to continue the SMARTEN project and 1.6 million dollars for accountable and inclusive governance.

Japan's contribution totals 4.5 million dollars, with funding for the procurement of excavators and dump trucks to progress the Higher Ground Initiative. Japan will also assist with the procurement of medical equipment and heavy machinery to enhance waste management services.

Our friends in New Zealand will contribute 3.4 million dollars, including 1.5 million dollars to progress towards the 30 percent energy efficiency target set in the Nauru Energy Road Map.

Mr Speaker, despite the impact of COVID-19 on the economies of our partners, their commitment to Nauru endures. We thank our donors for their steadfast support and look forward to continuing our fruitful partnerships in the coming financial year.

I commend this development projection to the House.